AMENDED IN SENATE FEBRUARY 15, 2001 AMENDED IN SENATE FEBRUARY 14, 2001

CALIFORNIA LEGISLATURE—2001–02 FIRST EXTRAORDINARY SESSION

SENATE BILL

No. 33

Introduced by Senators Burton and Sher (Coauthors: Senators Karnette, Perata, and Speier)

February 6, 2001

An act to add Section 330.5 to the Public Utilities Code, relating to electric power.

LEGISLATIVE COUNSEL'S DIGEST

SB 33, as amended, Burton. Electric power: transmission facilities: purchase.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations and other specified entities.

This bill would authorize the Governor to formulate a plan, through negotiation with representatives of electrical corporations, as defined, for the state to purchase the transmission facilities owned by electrical corporations in California *that were under the operational control of the Independent System Operator as of January 1, 2001.*

The bill would require the Governor to submit the plan to the Legislature for its consideration for subsequent adoption by statute and any necessary additional implementing legislation, including—(a) (1) authority for the State Treasurer to issue revenue bonds to finance the acquisition by the state of the transmission facilities of electrical corporations and to finance necessary improvements and expansion of

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the state's electrical transmission system and (2) authority for the state to contract with electrical corporations for the ongoing maintenance, repair, construction, expansion, or improvement of the transmission facilities purchased by the state under the adopted plan. If a plan is formulated, the bill would require the plan to include provisions to recover General Fund costs associated with the formulation of the plan.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. SEction Section 330.5 is added to the Public 1 2 Utilities Code, to read:
 - 330.5. (a) The Governor may formulate a plan, through negotiation with representatives of electrical corporations, as defined in Section 218, for the state to purchase the transmission facilities owned by electrical corporations in California that were under the operational control of the Independent System Operator as of January 1, 2001.
- (b) The Governor shall submit the plan formulated under 10 subdivision (a) to the Legislature for its consideration for subsequent adoption by statute and any necessary additional implementing legislation, which may include, but need not be limited to, all of the following:
 - (1) Authority for the State Treasurer to issue revenue bonds to finance the acquisition by the state of the transmission facilities of electrical corporations and to finance necessary improvements and expansion of the state's electrical transmission system.
 - (2) Authority for the state to contract with electrical corporations for the ongoing maintenance, repair, construction, expansion, or improvement of the transmission facilities purchased by the state under the adopted plan.
- (c) If a plan is formulated, the plan shall include provisions to recover General Fund costs associated with the formulation of the 24 plan.

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CORRECTIONS
Heading — Lines 1, 2.

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